

UNITED HOMEOWNERS ASSOCIATION"

STATEMENT

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Submitted To The U.S. House Of Representatives Commerce Committee

ELECTRIC UTILITY DEREGULATION CUSTOMER CHOICE

April 18, 1997

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I am appearing before this committee as the Virginia Coordinator of the United Homeowners Association (UHA) and the general residential end user of electric public utilities. I live in Spotsylvania, Virginia, and I am the owner of a business that specializes in new construction and existing home inspections for new home buyers and owners.

The vast majority of my time is spent face to face with homeowners that want and need to know more about home ownership and the anatomy of the house they either currently own, or are preparing to buy. Reducing the cost of ownership is high on their list of priorities and concerns. That is why I am a strong proponent of deregulating the electric utility industry and feel compelled to state my case as a homeowner and someone that understands the consumers' needs first hand.

Homeowners need to have a choice of whom their supplier of electricity will be in the same way they make choices in almost every other facet of their lives. There should be no mistaking that there is a tremendous value in having the opportunity to make a choice and stand by that decision. I have learned first had that choice is a powerful force. While operating my own construction business years ago, I came to the realization that making a choice was an overwhelming factor in the business decision equation for homeowners when selecting a company to provide them with a service or product. They had the ultimate RIGHT TO CHOOSE who would be their service or product provider. Competition is not only a healthy part of doing business it is a prerequisite for choice and lower prices for consumers.

As a homeowner, home inspector and the owner of a small business which depends on homeowners choosing my company over others, I understand the importance of choice and competition in the market place. I would enjoy being the only home inspector in the Spotsylvania area and not have to compete with other companies, or worry about keeping my costs to the bare minimum. Unfortunately, unlike the electric utility industry I don't have the benefit of a monopoly and I have to compete for every customer.

In a world of mega mergers, corporate takeovers and super size in general, small businesses need all the help they can get. Reducing the cost of our electric bills would be a welcome relief.

Bringing competition into the electricity generation industry will not only reduce my bills as a homeowner and small businessman, but it could reduce my state, local taxes and federal taxes since government will also be able to choose and benefit from lower prices. The money saved by government through competition in the electric industry could be put to better use for education of our children, infrastructure and other necessities. We could even use the savings to offset our tax bills, a novel idea.

Because of my daily contact with homeowners and their desire to know everything they can about the home they are thinking about buying, I can assure you energy costs play an important part in the decision making process. Questions about insulation, energy efficiency of the heating and air conditioning units, windows and doors, as well as average electric bills are among the most frequent and important asked by the prospective buyer.

We hope that Congress will do what is necessary to make sure the transition from monopoly to competition benefits the residential customer and small businesses in Virginia and throughout the country.

Deregulation of the electric utility monopolies needs to be accomplished as soon as possible so that customers have the ability to choose their supplier which will create a competitive market and lower prices.

The lower our energy costs, the more money the home buyer, small business person, and tax payer has for housing and other needs. It is no more simple or complex than that.

I appreciate the opportunity to testify and will be happy to answer your questions. Thank you.